



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

May 22, 2012

KELLY LAWLER, TREASURER  
OUR COUNTRY DESERVES BETTER PAC -  
TEAPARTYEXPRESS.ORG  
PO BOX 984  
WILLOWS, CA 95988

**Response Due Date**  
**06/26/2012**

IDENTIFICATION NUMBER: C00454074

REFERENCE: YEAR-END REPORT (07/01/2011 - 12/31/2011)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 8 item(s):

1. The totals listed on Line(s) 6(c), 7, 11(a)(i), 11(a)(ii), 15, 19, 20, 29, 31 and 32, Column B of the Summary and Detailed Summary Page(s) appear to be incorrect. Column B figures for the Summary and Detailed Summary Pages should equal the sum of the Column B figures on your previous report and the Column A figures on this report. Please file an amendment to your report to correct the Column B discrepancies for this report and all subsequent report(s) which may be affected by this correction. Note that Column B should reflect only the Calendar Year-to-Date totals. (2 U.S.C. § 434(b))
2. Commission Regulations require that a committee discloses the identification of all individuals who contribute in excess of \$200 in a calendar year. (11 CFR § 104.3(a)(4)(i)) Identification for an individual is defined as the full name (**initials for first or last name are not acceptable**), complete mailing address, occupation, and name of employer. (11 CFR § 100.12) Your report discloses contributions from individuals for which the identification is not complete.

The attached employer and occupation entries appear on your report and are not considered acceptable.

You must provide the missing information, or if you are unable to do so, you must demonstrate that "best efforts" have been used to obtain the information.

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To establish "best efforts," you must provide the Commission with a detailed description of your procedures for requesting the information. Establishing "best efforts" is a three-fold process.

First, your original solicitation must include a clear and conspicuous request for the contributor information and must inform the contributor of the requirements of federal law for the reporting of such information. (11 CFR § 104.7(b)(1)) See 11 CFR § 104.7(b)(1)(B) for examples of acceptable statements regarding the requirements of federal law.

Second, if the information is not provided, you must make one follow-up, stand alone effort to obtain this information, regardless of whether the contribution(s) was solicited or not. This effort must occur no later than 30 days after receipt of the contribution and may be in the form of a written request or an oral request documented in writing. (11 CFR § 104.7(b)(2)) The requests must:

- clearly ask for the missing information, without soliciting a contribution,
- inform the contributor of the requirements of federal law for the reporting of such information, and
- if the request is written, include a pre-addressed post card or return envelope.

Third, if you receive contributor information after the contribution(s) has been reported, you should either a) file with your next regularly scheduled report, an amended memo Schedule A listing all the contributions for which additional information was received; or b) file on or before your next regularly scheduled reporting date, amendments to the report(s) originally disclosing the contribution(s). (11 CFR § 104.7(b)(4))

Please amend your report to provide the missing information or a detailed description of your procedures for requesting the information. For more information on demonstrating "best efforts," please refer to the Campaign Guide.

**3.** Schedule A supporting Line 11(a)(i) of your report discloses a negative entry for the apparent refund(s) of a contribution originally received by your committee. Please be advised that if your committee wrote a refund check from your account, this disbursement should be disclosed on Schedule B supporting Line 28 of the Detailed Summary Page. Negative entries on Schedule A should only be used to disclose voided checks that were not cashed or cleared by a bank. This method of reporting would clarify for the public record the total amount of receipts/disbursements and more accurately disclose the

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cash-on-hand amount. Please amend your report(s) to properly disclose this activity or provide clarifying information.

**4.** Schedule A of your report discloses aggregate year-to-date total(s) for some contribution(s) (see attached) which appear to be incorrect. Please amend your report to provide the correct aggregate year-to-date totals. Please note that this problem frequently occurs when the contributor name is entered in the committee's electronic reporting database more than once using a different spelling and/or format. This prevents the database from properly aggregating contributions from the same individual or entity. Ensuring that the name of each contributor is entered into the database only once would help avoid year-to-date errors. When reporting contributions from political action committees, using the contributor's FEC identification number will help prevent duplicate entries.] (11 CFR § 104.3(a)(2))

**5.** Itemized disbursements must include a brief statement or description of why each disbursement was made. Please amend Schedule B supporting Line 21(b) of your report to clarify the following descriptions: "Creative Fee," "Creative Fees," "PAC Consultant," "PAC Consulting," "PAC Consulting Services," "PAC Fundraising Commisison," "PAC Fundraising Commission," "PAC Professional Services," "Professional Services," "Promotional Materials," "Promotional Products" and "Promotional Products for Tour." For further guidance regarding acceptable purposes of disbursement, please refer to 11 CFR 104.3(b)(3)(i).

Additional clarification regarding inadequate purposes of disbursement published in the Federal Register can be found at [http://www.fec.gov/law/policy/purposeofdisbursement/inadequate\\_purpose\\_list\\_3507.pdf](http://www.fec.gov/law/policy/purposeofdisbursement/inadequate_purpose_list_3507.pdf).

**6.** On Schedule B supporting Line 21(b) and 29 of your report, you have itemized disbursements for which you have failed to include the purpose. Please amend your report to include the missing information. (11 CFR § 104.3(b)(3))

**7.** Schedule B of your report discloses a total of \$241.95 in reimbursements made to "ADAM STERN;" however, the sum of the memo entries provided identifying the original vendors associated with these payments total \$371.64. Please amend your report to clarify this apparent discrepancy.

**8.** Separate Segregated Funds and Nonconnected committees that have established a federal account and a non-federal account may use only funds

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subject to the prohibitions and limitations of the Act, or they may allocate expenditures for administrative costs, generic voter drives, fundraising programs or events and public communications referencing only a political party between their federal and their non federal accounts. (11 CFR §106.6(b))

Separate Segregated Funds and Nonconnected committees may pay administrative expenses, costs for generic voter drives and expenses related to public communications referencing any political party from their federal account, or allocate between their federal and non-federal accounts. Committees that choose to allocate these expenses must disclose the allocation ratio to be applied to each category of activity on a Schedule H1. Administrative expenses, generic voter drive costs and expenses related to public communications referencing any political party committee (but no clearly identified candidates) must be paid for with at least 50 percent Federal funds. (11 CFR §106.6(c))

Schedule H2 is used by all political committees to report the allocation ratios of their joint federal and non federal fundraising events and direct candidate support programs. Schedule H2 is filed with each report that discloses a disbursement for allocated activity. Schedule H3 is used by all political committees to report transfers received by the federal account from the non federal account(s) to pay the non federal share of allocable expenses.

Any expenditures made on behalf of both federal and non federal candidates (including in kind contributions and independent expenditures) must be allocated between your committee's federal and non federal accounts. Schedule H4 is used by all political committees to report payments for allocable expenses. (11 CFR §106.1(a))

Please clarify the procedures you are currently using to pay for allocable expenses. The Commission recommends that you take steps to correct any non compliance with the regulations. Also, your committee should establish procedures to ensure future compliance with the allocation regulations.

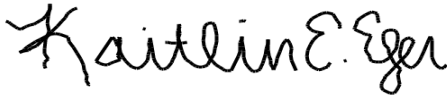
**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

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Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1143.

Sincerely,

A handwritten signature in black ink that reads "Kaitlin Eger". The signature is written in a cursive, flowing style.

Kaitlin Eger  
Senior Campaign Finance Analyst  
Reports Analysis Division

**Aggregate Year-to-Date Total(s) Calculated Incorrectly**  
**Our Country Deserves Better PAC (C00454074)**

Contributor Name	Date	Amount	Reported YTD Total	YTD Total Calculated by FEC
LEE HOLMES	12/17/11	\$150.00	-\$6,750.00	\$1,250.00

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